

Washington, DC -- U.S. Rep. Michael A. Arcuri (NY-24) joined community leaders in Utica, NY today to highlight legislation, which he cosponsored, to prevent credit card companies and big banks from using predatory practices that take advantage of local families, as well as additional legislation passed by the House of Representatives this week to implement long overdue reform and fraud protection in the mortgage lending industry to protect local consumers.

"I have a responsibility as your Congressman to fight to protect you from the predatory practices of big banks, credit card companies and mortgage brokers," **Arcuri said**. "In Congress, I have voted repeatedly for legislation to fight these corporations and provide fair and reasonable deals for families in Upstate New York. The Credit Cardholder's Bill of Rights, The Fraud Enforcement and Recovery Act and the Mortgage Reform and Anti-Predatory Lending Act are three pieces of legislation that will go a long way in protecting New York residents from the financial crisis that we have seen both here at home and across the nation."

The Credit Cardholder's Bill of Rights Act of 2009 (H.R. 627), which passed the House of Representatives with bipartisan support on May 1, 2009, contains sweeping reforms to protect credit card users. Under the provisions of the bill, a credit card company could only increase the interest rate on a customer's existing balance if payment is more than 30 days late or if there were a pre-existing scheduled increase (such as the end of a promotional rate period). Currently, credit card companies can increase interest rates for a customer's balance when there is any late payment.

To protect local consumers, The Credit Cardholder's Bill of Rights Act:

- Requires 45-days advanced notice of interest rate increases;
- Requires Credit Card Companies to use 5 p.m. local time as the cut-off for receipt of payment on the due date. Currently, some companies use 10 am as the cut-off, meaning a payment could arrive on the due date and still be considered late, triggering finance charges;
- Requires credit card companies to apply payments to debt with the higher interest rate – allowing consumers to pay off debt more quickly;
- Prohibits calculation of interest more than once per monthly cycle;
- Requires monthly statements to be sent 21 days before their due date, rather than the current minimum of 14 days that many companies use; and
- Prohibits minors under age 18 from being granted credit cards, unless they are financially independent.

The Credit Cardholder's Bill of Rights was the first in a series of bills, passed by the House and strongly supported by Arcuri, to help local consumers hit by predatory practices

The Mortgage Reform and Anti-Predatory Lending Act (H.R. 1728), which passed the House yesterday, would restore integrity and reform into the mortgage industry by ensuring that borrowers can repay the loans they are sold and implementing strict measurements to make sure that those loans are fair and reasonable to the consumer. H.R. 1728 also adds increased the transparency of mortgage lending by requiring lenders to disclose important information and possible fees to the consumer before he or she signs an agreement.

This week, Arcuri also voted for the Fraud Enforcement and Recovery Act (S.286), which passed the House with bi-partisan support, to increase the ability of the U.S. Justice Department to prosecute large banks and mortgage lenders that commit fraudulent and illegal business practices.

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